

Message Text

UNCLASSIFIED

PAGE 01 PARIS 14387 01 OF 02 050949Z

11

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 /020 W

----- 056659

R 050938Z JUN 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 0077

UNCLAS SECTION 01 OF 02 PARIS 14387

PASS COMMERCE FOR BIC/OIM PETER FIELD

E.O.11652: N/A

TAGS: BGEN

SUBJ: COMMERCE ANTI-RECESSION EXPORT CAMPAIGN

REFS: (A) STATE A-2778; (B) PARIS 12032

1. LIKELIHOOD THAT FRANCE COULD AND WOULD ABSORB SIGNIFICANTLY MORE US EXPORTS FROM RECESSION-HIT INDUSTRIES WILL OBVIOUSLY DEPEND ON STATE OF FRENCH MARKET FOR PRODUCTS CONCERNED, TAKING INTO ACCOUNT FACT THAT FRANCE IS ALSO UNDERGOING RECESSION WITH NEARLY 5 UNEMPLOYED, WHOLESALE INVENTORIES HIGH, AND MOST FRENCH MANUFACTURERS OPERATING BELOW CAPACITY. CHEAP DOLLAR (IF THIS PERSISTS) AND PRESUMED WILLINGNESS OF INFLATION-HIT US EXPORTERS TO OFFER FAST DELIVERY AT BARGAIN PRICES WILL HELP BUT FRENCH MARKET GENERALLY FOR BOTH CAPITAL AND CONSUMER GOODS IS CURRENTLY SOFT AND NOT EXPECTED TO REVIVE MUCH BEFORE YEAR-END.

2. WHILE THIS MAY PROVIDE GOOD OPPORTUNITY TO LURE NTE FIRMS INTO EXPORT MARKET, REAL ANSWER IN SHORT TERM SEEMS TO US TO LIE IN MORE AGGRESSIVE SALESMANSHIP BY OTM FIRMS ALREADY PRESENT IN FRENCH MARKET. BY THE TIME NTE FIRMS FIND REPRESENTATION AND BEGIN TO GENERATE ORDERS, PRESENT SITUATION MAY WELL BE REVERSED AND THEY WOULD BE TEMPTED TO REDIRECT THEIR ATTENTION HOMEWARD WITH COUNTERPRODUCTIVE IMPACT ON OUR CREDIBILITY HERE. BEST COURSE FOR NTE FIRMS IN MEETING IMMEDIATE PROBLEM

UNCLASSIFIED

PAGE 02 PARIS 14387 01 OF 02 050949Z

MIGHT BE TO WORK THROUGH COMBINATION EXPORT HOUSES.

3. WITH REGARD TO OTM FIRMS THERE ARE SEVERAL WAYS IN WHICH USG FACILITIES IN FRANCE CAN BE USED TO SUPPLEMENT AND SUPPORT THEIR OWN ENHANCED MARKETING EFFORT. BROADLY SPEAKING WE CAN DO MORE EFFECTIVE JOB ON PRODUCTS FITTING OUR FY76 CCP CAMPAIGN THEMES BECAUSE SUPPORTING EVENTS ARE ALREADY SCHEDULED AND WE HAVE BETTER FIX ON FRENCH IMPORTING UNIVERSE; BUT LISTING BELOW APPLIES IN SOME MEASURE TO ALL DEPRESSED-INDUSTRY PRODUCT LINES:

A) WE CAN INCLUDE THEM IN REGULAR PTC SHOWS ALREADY SCHEDULED FOR FY76. FOLLOWING LINES ON DISTRESSED LIST COULD BE EMCOMPASSED WITHIN AGREED THEMES:

- RADIO AND TV RECEIVERS
- ELECTRONIC COMPONENTS
- REFRIGERATION MACHINERY
- LIGHTING FIXTURES
- PLUMBING AND HEATING SUPPLIES
- VALVES AND PIPE FITTINGS
- PUMPS AND COMPRESSORS
- ALL HOUSEWARES AND HOUSEHOLD APPLIANCES

B) CONSUMER GOODS LINES OUTSIDE PTC THEMES COULD BE FEATURED IN PLANNED IN-STORE PROMOTIONS IF STORES CAN BE PERSUADED TO AGREE.

C) DISTRIBUTORS COULD MOUNT BSP'S AT PTC ON ANY OR ALL DISTRESSED LINES, WHETHER OR NOT THEY FIT REGULAR SHOW THEMES.

D) WE CAN IDENTIFY FRENCH TRADE SHOWS IN FY76 COVERING VIRTUALLY ALL DISTRESSED LINES AND COULD GIVE TECHNICAL ASSISTANCE, IF NEEDED, TO EXHIBITORS USING THESE SHOWS.

E) AT SOME SACRIFICE TO OUR REGULAR CAMPAIGNS WE COULD CONDUCT CALLS OR CIRCULAR LETTER PTO SOLICITATIONS ON MAJOR END-USERS OF SELECTED DISTRESSED LINES PRO-UNCLASSIFIED

UNCLASSIFIED

PAGE 03 PARIS 14387 01 OF 02 050949Z

VIDED WE ARE SUPPLIED WITH AMPLE PRODUCT LITERATURE AND ARE SUPPORTED BY LOCAL DISTRIBUTORS. WE COULD ENVISAGE MINI-CAMPAIGNS OF THIS TYPE FOR SUCH CATEGORIES AS ELECTRICAL TESTING EQUIPMENT, CHEMICAL PROCESSING MACHINERY, METAL STAMPINGS, MACHINE TOOLS AND TEXTILE MACHINERY.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 PARIS 14387 02 OF 02 050947Z

11

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 /020 W

----- 056673

R 050938Z JUN 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 0078

UNCLAS SECTION 02 OF 02 PARIS 14387

F) WE ARE PREPARED TO SERVE AS CATALYST IN
MOUNTING LOCALLY-RECRUITED OFF-SITE FARM MACHINERY
SHOW IF DISTRIBUTORS WILL COOPERATE.

G) WE WILL MAKE GENEROUS USE OF OUR NEWSLETTER
TO REPORT ON NEW PRODUCTS AVAILABLE IN DISTRESSED
CATEGORIES.

H) WE COULD EXPAND OUR FOREIGN BUYERS PROGRAM
BEYOND OUR PRESENT CAMPAIGN PLANS TO THE EXTENT THAT
THERE ARE SUITABLE US EVENTS COVERING RECESSION-HIT
PRODUCTS.

4. ALL FOREGOING SPECIAL ACTIVITIES BY EMBASSY, PTC
AND CONSTITUENT POSTS PRESUPPOSE ENTHUSIASTIC
INITIATIVE BY RECESSION-HIT US EXPORTERS AND THEIR
FRENCH DISTRIBUTORS. WE DO NOT HAVE RESOURCES TO CAJOLE
US FIRMS INTO ACCEPTING OUR HELP. RECESSION-HIT
EXPORTERS SHOULD BE PREPARED TO DEVOTE THEIR OWN
RESOURCES AND MANAGEMENT ATTENTION TO THESE ACTIVITIES
AND TO OFFER SPECIAL PRICE AND DELIVERY ENDUCEMENTS TO
THEIR DISTRIBUTORS OR AGENTS. WE RECOGNIZE THAT GETTING
EXPORTERS INTO RIGHT FRAME OF MIND TO TAKE ADVANTAGE OF
OUR HELP WILL REQUIRE HEAVY SELLING JOB BY BIC AND OFO,
BUT WITHOUT THIS WE SEE NO PROSPECT OF SIGNIFICANT
IMPACT ON ALREADY SLUGGISH AND TROUBLED FRENCH MARKET.
RUSH

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, EXPORTS, POLICIES, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975PARIS14387
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750196-0768
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750678/aaaacssn.tel
Line Count: 166
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE A-2778, 75 PARIS 12032
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 14 FEB 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 FEB 2003 by PhilliR0>; APPROVED <29 JAN 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COMMERCE ANTI-RECESSION EXPORT CAMPAIGN
TAGS: BGEN, ECON
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006